



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

RQ-3

December 12, 2002

James M. Jordan, Treasurer
Democratic Senatorial Campaign Committee
430 South Capitol Street, SE
Washington, DC 20003

Identification Number: C00042366

Reference: July Monthly Report (6/1/02-6/30/02)

Dear Mr. Jordan:

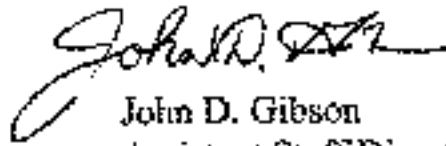
This letter is to inform you that as of December 11, 2002, the Commission has not received your response to our request for additional information, dated November 13, 2002. This notice requests information essential to full public disclosure of your federal election campaign finances. To ensure compliance with the provisions of the Federal Election Campaign Act (the Act), please respond to this request (copy enclosed).

The Commission acknowledges that your Amended July Monthly Report dated September 19, 2002 corrected the first three issues pertaining to joint fundraising committees; however, you still need to address the remaining issues in the letter referenced above. An adequate response must be received at the Commission by January 1, 2003. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter, please contact Angel Williamson on our toll-free number (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis

Division) or our local number (202) 694-1130.

Sincerely,

A handwritten signature in dark ink, appearing to read "John D. Gibson". The signature is fluid and cursive, with a large initial "J" and a stylized "G".

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosure



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20543

RQ-2

James M. Jordan, Treasurer
Democratic Senatorial Campaign Committee
430 South Capitol Street, S.E.
Washington, DC 20003

NOV 1 8 2002

Identification Number: C0042366

Reference: July Monthly Report (6/1/02-6/30/02)

Dear Mr. Jordan:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your report discloses memo Schedule A's totaling \$7,000 from the Iowa-Louisiana Victory Fund, which appears to be a joint fundraising committee. However, there are no corresponding transfers-in from this committee disclosed on Schedule A for supporting Line 12 of the Detailed Summary Page. Please clarify this apparent discrepancy.

-Your report discloses receipts totaling \$13,000 from Oregon Senate 2002 and Oklahoma Senate 2002, which are joint fundraising committees affiliated with your committee. Please be advised that a memo Schedule A must be provided to itemize your committee's share of the gross contributions received through the joint fundraiser(s). The memo schedule should itemize each individual who has contributed an aggregate in excess of \$200 during the calendar year, and provide the amount of unitemized contributions received. In addition, the memo schedule should itemize your committee's share of all contributions from political committees, regardless of amount. Please amend your report by providing the omitted memo schedule(s). 11 CFR §102.17(c)(8)(i)(B)

-Schedule A of your report discloses receipts totaling \$1,323,000 from the Arkansas Senate 2002, Georgia Senate 2002, Iowa Senate 2002, Kirk-

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DSCC Victory Fund, Louisiana Senate 2002, Michigan Senate 2002, Missouri Senate 2002, Montana Senate 2002, New Hampshire Senate 2002, New Jersey Senate 2002, North Carolina Victory Fund, and South Carolina Senate 2002, which are joint fundraising committees affiliated with your committee. The sum of the entries itemized on the memo Schedule A, however, total only \$690,325.

Please be advised that a memo Schedule A must be provided to itemize your committee's share of the gross contributions received through the joint fundraiser. The memo schedule should itemize each individual who has contributed an aggregate in excess of \$200 during the calendar year, and provide the amount of unitemized contributions received. In addition, the memo schedule should itemize your committee's share of all contributions from political committees, regardless of amount. 11 CFR §102.17(c)(8)(i)(B) Please clarify this discrepancy.

-Schedule A supporting Line 17 of your report discloses a payment from AB-Data (pertinent portion(s) attached). It appears this receipt was for goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.7(a)(1)(iii)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be an in-kind contribution received by your committee from a corporation and is prohibited subject to the limits set forth at 2 U.S.C. §441b(a)

-Schedule A supporting Line 12 discloses a transfer of \$180,000 from Missouri Senate 2002 on 6/19/02; however, a review of the reports filed by this committee discloses making a transfer of \$180,000 to your committee on 6/20/02 (pertinent portion(s) attached). Please confirm the date the transfer was received or provide clarifying information.

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-Schedule A of your report (pertinent portion(s) attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(f) and 11 CFR §110.1(d) prohibit a committee and its affiliates from receiving any contribution from another political committee or person in excess of \$5,000 per calendar year.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information.

If any contribution you received exceeds the limits, you may have to refund the excessive amount. The funds can be retained if within 60 days of receipt, (1) the excessive amount was properly reattributed to another person, such as a joint account holder, by obtaining signed written authorizations from each person making the contribution pursuant to 11 CFR 110.1(k)(3), and (2) the treasurer informs the person making the contribution that he or she may request the return of the excessive portion of the contribution if it is not intended to be a joint contribution. Any request from a donor for a refund must be honored.

Alternatively, the funds can be retained if within 60 days of receipt you (1) transferred the excessive amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund. Any request from a donor for a refund must be honored.

You state that a transfer to a non-federal account for \$3,000 was made July 2002; however, a review of your August Monthly Report (7/1/02-7/31/02) does not disclose a transfer out to a non-federal account. If the foregoing conditions for reattributions or transfers to a non-federal account were not met within 60 days of receipt, the excessive amount must be refunded.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any transfer-out or refund. In addition, any reattributions should be reported as memo entries on Schedule A of the report covering the period during which the authorization for the reattribution is received. Any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report during which the transaction was made.

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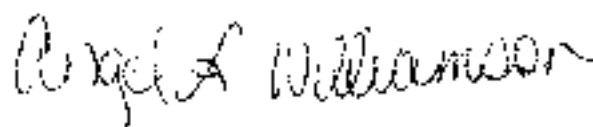
Although the Commission may take further legal action regarding the acceptance of an excessive contribution(s), prompt action by your committee to seek reattribution, transfer-out or refund the excessive amount will be taken into consideration.

-Schedule H2 indicates the allocation ratios for Road Show 2002 (RS02) and Senate Programs 2002 (SP02) were revised during the reporting period. Please provide the date of the fundraising programs or events. In the case of a telemarketing or direct mail campaign, the "date" is the last day of the telemarketing campaign, or the day on which the final direct mail solicitations are mailed. 11 CFR §106.5(f)(2) In the event that an excessive non-federal transfer was received, the excessive amount should be transferred back to your non-federal account.

-You state that the \$20,000 contribution received from Fleming & Associates, LLP (pertinent portion(s) attached) was "transferred to NF Corporate in July 2002"; however, a review of your August Monthly Report (7/1/02-7/31/02) does not disclose a corresponding transfer out to you non-federal Corporate account. Please amend your report to provide further clarification.

A response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. Electronic filers must file amendments (to include statements, designation and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Angel L. Williamson
Senior Campaign Finance Analyst
Reports Analysis Division

